

**APPENDIX****RENOVATED BUTTER ACT (INTERNAL REVENUE CODE, SECTIONS 2320, ET SEQ.)**

UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF DAIRY INDUSTRY

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**REGULATIONS FOR CARRYING INTO EFFECT  
THE PROCESS OR RENOVATED  
BUTTER ACT.**

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**INTERNAL REVENUE CODE  
SUBCHAPTER B—ADULTERATED AND PROCESS  
OR RENOVATED BUTTER****SEC. 2320. DEFINITIONS.**

(a) Butter.—For the purpose of this chapter and sections 3206, and 3207, the word "butter" shall be understood to mean the food product usually known as butter, and which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter.

(b) Adulterated Butter.—"Adulterated butter" is defined to mean a grade of butter produced by mixing, reworking, rechurning in milk or cream, refining, or in any way producing a uniform, purified, or improved product from different lots or parcels of melted or unmelted butter or butter fat, in which any acid, alkali, chemical, or any substance whatever is introduced or used for the purpose or with the effect of deodorizing or removing therefrom rancidity, or any butter or butter fat with which there is mixed any substance foreign to butter as defined in subsection (a), with intent or effect of cheapening in cost the product or any butter in the manufacture or manipulation of which any process or material is used with intent or

effect of causing the absorption of abnormal quantities of water, milk, or cream.

(c) Process or Renovated Butter.—“Process butter” or “renovated butter” is defined to mean butter which has been subjected to any process by which it is melted, clarified or refined and made to resemble genuine butter, always excepting “adulterated butter” as defined by subsection (b).

## SEC. 2321. TAX.

### (a) Rate.—

(1) Adulterated butter.—Upon adulterated butter, when manufactured or sold or removed for consumption or use, there shall be assessed and collected a tax of 10 cents per pound, and any fractional part of a pound shall be taxed as a pound.

(2) Process or renovated butter.—Upon process or renovated butter, when manufactured or sold or removed for consumption or use, there shall be assessed and collected a tax of one-fourth of 1 cent per pound, and any fractional part of a pound shall be taxed as a pound.

(b) By Whom Paid.—The tax to be levied by subsection (a) shall be paid by the manufacturer.

### (c) How Paid.—

(1) Stamps.—The tax to be levied by subsection (a) shall be represented by coupon stamps.

### (2) Assessment.—

For assessment in case of omitted taxes, see section 3311.

### (d) Special Tax.—

(1) Manufacturers of adulterated and process or renovated butter.—

For special tax on manufacturers of adulterated and process or renovated butter, see subsection (a) of section 3206.

(2) Wholesale dealers and retail dealers in adulterated butter.—

For special tax on wholesale dealers and retail dealers in adulterated butter, see subsections (b) and (c) of section 3206.

**SEC. 2322. MANUFACTURERS.**

(a) Definition.—Every person who engages in the production of process or renovated butter or adulterated butter as a business shall be considered to be a manufacturer thereof.

(b) Packing, Stamping, and Selling Requirements.—

(1) Adulterated butter.—All adulterated butter shall be packed by the manufacturer thereof in firkins, tubs, or other wooden, tin-plate, or paper packages not before used for that purpose, containing, or encased in a manufacturer's package made from any of such materials of, not less than ten pounds, and marked, stamped, and branded as the Commissioner, with the approval of the Secretary, shall prescribe, and all sales made by manufacturers of adulterated butter shall be in original, stamped packages. Every manufacturer of adulterated butter shall securely affix, by pasting, on each package containing adulterated butter manufactured by him a label on which shall be printed, besides the number of the manufactory and the district and State in which it is situated, these words: "Notice.—That the manufacturer of the adulterated butter herein contained has complied with all the requirements of law. Every person is cautioned not to use either this package again or the stamp thereon, nor to remove the contents of this package without destroying said stamp, under the penalty provided by law in such cases."

(2) Process or renovated butter.—

For marking process or renovated butter, see section 2325. (Below.)

(c) Book and Returns—Every manufacturer of process or renovated butter or adulterated butter shall file with the collector of the district in which his manufactory is located such notices and inventories, shall keep such books and render such returns of material and products, and conduct his business under such surveillance of officers and agents as the Commissioner, with the approval of the Secretary, may by regulation require.

(d) Factory Number and Signs.—Every manufacturer of process or renovated butter or adulterated butter shall put up such signs and affix such number to his factory as the Commissioner, with the approval of the Secretary, may by regulation require.

(e) Bonds.—Every manufacturer of process or renovated butter or adulterated butter shall file with the collector of the district in which his manufactory is located such bonds as the Commissioner, with the approval of the Secretary, may by regulation require. But the bond required of such manufacturer shall be with sureties satisfactory to the collector, and in a penal sum of not less than \$500; and the sum of said bond may be increased from time to time and additional sureties required at the discretion of the collector or under instructions of the Commissioner.

#### SEC. 2323. DEALERS IN ADULTERATED BUTTER.

(a) Dealer Defined.—Every person who sells adulterated butter shall be regarded as a dealer in adulterated butter.

(b) Retail Dealer Defined.—Every person who sells adulterated butter in less quantities than ten pounds at one time shall be regarded as a retail dealer in adulterated butter.

(c) Selling Requirements.—Dealers in adulterated butter must sell only original or from original stamped pack-

ages, and when such original stamped packages are broken the adulterated butter sold from same shall be placed in suitable wooden, tin-plate, or paper packages, which shall be marked and branded as the Commissioner, with the approval of the Secretary, shall prescribe.

**SEC. 2324. BOOKS AND RETURNS OF WHOLESALE  
DEALERS IN ADULTERATED AND  
PROCESS OR RENOVATED BUTTER.**

Wholesale dealers in process, renovated, or adulterated butter shall keep such books and render such returns in relation thereto as the Commissioner, with the approval of the Secretary, may, by regulation, require; and such books shall be open at all times to the inspection of any internal revenue officer or agent.

**SEC. 2325. INSPECTION, MANUFACTURE, STOR-  
AGE, AND MARKING OF PROCESS OR  
RENOVATED BUTTER.**

The Secretary of Agriculture is authorized and required to cause a rigid sanitary inspection to be made, at such times as he may deem proper or necessary, of all factories and storehouses where process or renovated butter is manufactured, packed, or prepared for market, and of the products thereof and materials going into the manufacture of the same. All process or renovated butter and the packages containing the same shall be marked with the words "Renovated Butter" or "Process Butter" and by such other marks, labels, or brands and in such manner as may be prescribed by the Secretary of Agriculture, and no process or renovated butter shall be shipped or transported from its place of manufacture into any other State or Territory or the District of Columbia, or to any foreign country, until it has been marked as provided in this section. The Secre-

tary of Agriculture shall make all needful regulations for carrying this section and sections 2326 (c) and 2327 (b) into effect and shall cause to be ascertained and reported from time to time the quantity and quality of process or renovated butter manufactured, and the character and the condition of the material from which it is made. And he shall also have power to ascertain whether or not materials used in the manufacture of said process or renovated butter are deleterious to health or unwholesome in the finished product, and in case such deleterious or unwholesome materials are found to be used in product intended for exportation or shipment into other States or in course of exportation or shipment he shall have power to confiscate the same.

#### SEC. 2326. PENALTIES.

##### (a) Adulterated Butter.—

(1) False branding; sale, packing, or stamping in violation of law.—Every person who knowingly sells or offers for sale, or delivers or offers to deliver, any adulterated butter in any other form than in new wooden, tin-plate, or paper packages as described in subsection (c) of section 2323, or who packs in any package any adulterated butter in any manner contrary to law, or who falsely brands any package or affixes a stamp on any package denoting a less amount of tax than that required by law, shall be fined for each offense not more than \$1,000 and be imprisoned not more than two years.

(2) Omission or removal of label.—Every manufacturer of adulterated butter who neglects to affix the label required under paragraph (1) of subsection (b) of section 2322 to any package containing adulterated butter made by him, or sold or offered for sale for or by him, and every person who removes any such label so affixed from any

such package shall be fined \$50 for each package in respect to which such offense is committed.

(b) Failure of Wholesale Dealers to Keep or Permit Inspection of Books, or to Render Returns.—Any person who wilfully violates any of the provisions of section 2324 shall for each such offense be fined not less than \$50 and not exceeding \$500, and imprisoned not less than thirty days nor more than six months.

(c) Failure to Comply With Provisions Relating to the Manufacture, Storage, and Marking of Process or Renovated Butter.—Any person, firm, or corporation violating any of the provisions of section 2325 shall be deemed guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not less than \$50 nor more than \$500 or by imprisonment not less than one month nor more than six months, or by both said punishments, in the discretion of the court.

#### **SEC. 2327. OTHER LAWS APPLICABLE.**

(a) Oleomargarine.—The provisions of sections 2301 (c) (2), 2305 to 2311 inclusive (except subsections (a), (b), and (h) of section 2308), and section 3791 (a) (1), shall apply to manufacturers of adulterated butter to an extent necessary to enforce the marking, branding, identification, and regulation of the exportation and importation of adulterated butter.

(b) Inspection of Live Cattle and Meat.—All parts of an act providing for an inspection of meats for exportation, approved August 30, 1890, c. 839, 26 Stat. 414, and of an Act to provide for the inspection of live cattle, hogs, and the carcasses and products thereof which are the subjects of interstate commerce, approved March 3, 1891, c. 555, 26 Stat. 1089, and of amendment thereto approved March 2, 1895, c. 169, 1, 28 Stat. 732, which are applicable to the

subjects and purposes described in section 2325 shall apply to process or renovated butter.

(c) Slaughtering and Meat Canning.—The sanitary provisions for slaughtering, meat canning, or similar establishments as set forth in the act of June 30, 1906, c. 3913, 34 Stat. 676, shall be extended to cover renovated butter factories as defined in this subchapter, under such regulations as the Secretary of Agriculture may prescribe.

(d) Tobacco and Snuff.—The provisions of law governing the engraving, issuing, sale, accountability, effacement, and destruction of stamps relating to tobacco and snuff, as far as applicable, shall apply to the stamps provided in section 2321 (c) (1).

**B. D. I. ORDER NO. 1—REVISED**

Issued December 24, 1936

**UNITED STATES DEPARTMENT OF AGRICULTURE  
BUREAU OF DAIRY INDUSTRY****REGULATIONS FOR CARRYING INTO EFFECT  
THE PROCESS OR RENOVATED  
BUTTER ACT****INTRODUCTION**

Under authority conferred upon the Secretary of Agriculture by the act of Congress approved May 9, 1902, entitled "An act to make oleomargarine and other imitation dairy products subject to the laws of any state, or territory, or the District of Columbia, into which they are transported, and to change the tax on oleomargarine, and to impose a tax, provide for the inspection, and regulate the manufacture and sale of certain dairy products, and to amend an act entitled 'An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine approved August 2, 1886'" (32 Stat. 193-197; U.S.C., title 26, sec. 990-997); and by the act of Congress approved August 10, 1912, entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1913" (37 Stat. 273); the following regulations are made and are hereby promulgated, which for purposes of identification are designated B.D.I. Order No. 1—Revised, superseding S.R.A. 1—Bureau Dairying, issued April, 1925; and B.D. Order 1, issued February 14, 1925; which are hereby revoked.

**HENRY A. WALLACE,***Secretary of Agriculture.*

Washington, D. C., December 24, 1936.

*Regulation 1.—Short Title of Act*

For the purpose of these regulations the act entitled "An act to make oleomargarine and other imitation dairy products subject to the laws of any State or Territory or the District of Columbia into which they are transported, and to change the tax on oleomargarine and to impose a tax, provide for the inspection, and regulate the manufacture and sale of certain dairy products, and to amend an act entitled 'An Act Defining Butter,' also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine approved August 2, 1886," approved May 9, 1902 (32 Stat. 193-199; U. S. C., title 26, sec. 990-997, as amended by the act of August 10, 1912 (37 Stat. 273, U. S. C., title 26, sec. 997 (c), entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1913," shall be known and referred to as the Process or Renovated Butter Act. The Chief of the Bureau of Dairy Industry is charged, under the direction of the Secretary, with the administration of these regulations.

*Regulation 2.—Definitions*

For the purpose of these regulations the following words, phrases, names, and terms shall be construed, respectively, to mean:

Section 1. *The Meat Inspection Act.*—The act of June 30, 1906, entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and seven" (34 Stat. 674-679) as reenacted by act of March 4, 1907 (34 Stat. 1260-1265; U. S. C., title 21, secs. 71 to 94), entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and eight," the sanitary provisions of which are made applicable to renovated-butter factories by act of Aug. 10, 1912

(37 Stat. 273; U. S. C., titles 26, sec. 997 (c), entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1913."

**Sec. 2. *Department.***—The United States Department of Agriculture.

**Sec. 3. *Bureau.***—The Bureau of Dairy Industry of the United States Department of Agriculture.

**Sec. 4. *Chief of Bureau.***—The administrative head of the Bureau of Dairy Industry of the United States Department of Agriculture.

**Sec. 5. *Inspector.***—Any Department officer or employee authorized to perform any duties in connection with the administration of these regulations.

**Sec. 6. *Person.***—Natural persons, individuals, firms, partnerships, corporations, companies, societies, and associations, and agent, broker, officer, employee, or member thereof. This term shall import both the plural and the singular as the case may be.

**Sec. 7. *Butter.***—The food product usually known as butter, and which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter.

**Sec. 8. Par. 1.—*Process or renovated butter.***—Butter which has been subjected to any process by which it is melted, clarified, or refined and made to resemble genuine butter, always excepting adulterated butter as defined in section 4 of the act of May 9, 1902 (32 Stat. 195).

**Par. 2.** Process or renovated butter must contain at least 80 per cent by weight of milk fat.

**Par. 3.** The term "process butter" and "renovated butter" are used synonymously and it is immaterial whether a manufacturer designates the product "process butter" or "renovated butter."

*Regulation 3.—Sanitation and Sanitary Inspection  
of Process or Renovated Butter Factories*

Section 1. For the purpose of effectively administering the Process or Renovated Butter Act, rigid sanitary inspections will be made at such times and as often as necessary of all process or renovated butter factories and storehouses where process or renovated butter is manufactured, packed, or prepared for market.

Sec. 2. Inspectors shall have access at all times by day or night to every part of any process or renovated butter factory or storehouse.

Sec. 3. Process or renovated butter factories or storehouses where process or renovated butter is manufactured, packed, prepared, or handled shall be maintained in a sanitary condition, and to this end the requirements of sections 4 to 12 of this regulation shall be complied with.

Sec. 4. Factories where process or renovated butter is manufactured, packed, or prepared for market shall be suitably lighted, screened, and ventilated in order that sanitary conditions may be maintained. Such factories shall be supplied with proper and sufficient drainage, having proper traps or other approved sewer connections. Rooms shall be kept reasonably free from steam and other vapors by heating or proper ventilation, and all work in such factories shall be performed in a sanitary manner.

Sec. 5. All floors, ceilings, walls, pillars, partitions, platforms, stairways, etc., shall be kept in a sanitary condition and when necessary shall be scraped, washed, painted or otherwise treated as required. Where floors or others parts of the building, or tables or other parts of the equipment, are so old or in such poor condition that they cannot readily be made sanitary, they shall be removed and replaced with suitable material. Walks, platforms, and approaches leading into factories shall be kept clean.

Sec. 6. All churns, melting tanks, workers, cans, vats, blowing tanks, settling tanks, trucks, trays and other receptacles, chutes, platforms, racks, tables, and all utensils, machinery, and other equipment used in preparing, moving, cutting, chopping, and otherwise handling the materials used in the manufacture of process or renovated butter, and in all processes of manufacturing of process or renovated butter or its preparation for market, shall be kept in a sanitary condition.

Sec. 7. All factories in which milk, cream, or mixtures containing milk or cream are pumped or conducted through pipes shall be equipped with sanitary pumps, pipes, and fittings. Pumps shall be so constructed that all parts coming in contact with milk, cream, or mixtures containing milk or cream shall be made of non-corrosive metal, or shall be suitably nickled, tinned, or coated with other approved metal, and such parts shall be accessible for cleaning. Pipes shall have smooth outer and inner surfaces coated with nickel, tin, or other approved metal, and fittings shall have smooth outer and inner surfaces coated with nickel, tin, or other approved metal, and shall be of such design that no pockets or recesses occur on the inside between the pipes and fittings: *Provided, however,* That open conductors having smooth outer and inner surfaces coated with nickel, tin, or other approved metal may be used in place of pipe. All pumps, fittings, and conductors shall be kept in a sanitary condition.

Sec. 8 Managers of process or renovated butter factories shall require employees to be cleanly. Aprons, smocks, and other outer clothing worn by employees who handle or in any way come in contact with the process or renovated butter or any ingredient entering into the manufacture of same shall be of material that can be made sanitary by washing, and only clean garments shall be worn. All persons who handle process or renovated butter or any mate-

rial entering into the manufacture of same shall be required to keep their hands clean, and they shall be required also to pay particular attention to the cleanliness of their boots and shoes.

Sec. 9. No person affected with tuberculosis or other communicable disease shall be employed in any factory where process or renovated butter is manufactured, and any employees who may be suspected of being so affected shall be reported by the inspector to the manager of the factory and to the Chief of Bureau.

Sec. 10. All water closets, toilet rooms, and dressing rooms shall be entirely separated from the compartments in which process or renovated butter is manufactured, prepared, packed, stored, or otherwise handled; and where such rooms open into compartments in which process or renovated butter is handled they shall be provided with properly ventilated vestibules and automatically closing doors. They shall be conveniently located, sufficient in number, ample in size, and fitted with modern lavatory accommodations including toilet paper, soap, running hot and cold water, etc., and shall be properly lighted, suitably ventilated, and kept clean and sanitary.

Sec. 11. The factory in which process or renovated butter is manufactured, prepared, packed, stored, or otherwise handled shall be kept free from odors coming from poultry rooms, egg rooms, toilet rooms, catch basins, or any other objectionable source, and shall be kept free from flies and other vermin; and all rooms or compartments shall be provided with cuspidors so designed as to prevent them from being upset, and made of such material and construction as to be readily disinfected, and employees who expectorate shall be required to use them.

*Regulation 4.—Sanitation and Sanitary Inspection of  
Products of and Material From Which Process  
or Renovated Butter is Manufactured*

Section 1. "Rigid" sanitary inspections will also be made of the character and condition of the materials going into the manufacture of process or renovated butter and of the quantity and quality of process or renovated butter manufactured.

Sec. 2. Due care must be taken to prevent process or renovated butter, in any stage of its manufacture, from falling on the floor, and in the event of its having so fallen, the soiled portion shall not be used. Butterfat collected from floors, drains, or catch basins shall not be used in the manufacture of process or renovated butter.

Sec. 3. Only good, clean, and wholesome water and ice shall be used in the preparation and manufacture of process or renovated butter and, whenever there is any doubt regarding the purity of the water supply, the facts shall be reported to the Chief of Bureau.

Sec. 4. Air used in blowing or aerating the oil during the process of manufacture shall be pure and clean, and shall be taken from the outside of the building; and in order to prevent the use of air which is contaminated with dust, smoke, objectionable odors, etc., some approved method of purification, such as washing or filtering through cotton, shall be provided.

Sec. 5. In manufacturing process or renovated butter all cream, milk or skim milk used must be pasteurized.

Sec. 6. All milk, skim milk, dried milk, dried skim milk, cream, and analogous substances used in the making of process or renovated butter shall be kept, stored, and handled in a sanitary manner in accordance with accepted dairy practices.

Sec. 7. All other materials including salt and butter color entering into the manufacture of process or renovated butter shall also be kept, stored, and handled in a sanitary manner.

Sec. 8. All cartons, parchment wrappers, liners, packages, tubs, cans, tins, or other containers used for packing process or renovated butter shall be stored, kept, and handled in a sanitary manner.

*Regulation 5.—The Marking, Labeling and Branding of Process or Renovated Butter*

Section 1. (a) Before removal from the factory each package of process or renovated butter shall have legibly printed or stenciled on one of its sides the legend "Process Butter" or "Renovated Butter"; also the factory number, district, and State, and the net weight, in the following manner:

**PROCESS BUTTER**

Factory No. 2, 2d Dist. New York  
Net Weight, 60 lbs.

(b) The legend "Process Butter" or "Renovated Butter" shall be in boldface gothic letters not less than three-quarters of an inch square and the other words and figures not less than half an inch square. The color of the legend shall be in strong contrast to that of the package.

Sec. 2. The wrappers, cartons, or other containers in which prints or rolls are placed shall be branded with the legend "Process Butter" or "Renovated Butter" in bold-face gothic letters, not less than three-eights of an inch square. Such legend shall form a strong contrast to the color of the wrapper or container. No other marks shall be made on the side of the wrapper or container on which the legend is placed.

Sec. 3. Each package must show the manufacturer's name and address or the factory number, district, and

State, and bear a plain and conspicuous statement of the net weight of contents. Such wrappers, cartons, or other containers shall bear no pictorial or other representation which may create the impression that the article is butter as defined by the act of Congress of March 4, 1923.

Sec. 4. The top surface of solid-packed goods shall be imprinted with the legend "Process Butter" or "Renovated Butter" in plain gothic letters not less than half an inch square, and impressed at least an eighth of an inch deep. Prints and rolls shall be similarly impressed with letters not less than three-eighths of an inch square. The surface impression may be omitted from prints and rolls of less than a pound unit weight, provided there is compliance with all other requirements.

Sec. 5. With the exception of shipping marks, any marks, brands, labels, other than those prescribed by these regulations, shall be approved by the Secretary of Agriculture before they are used on packages of process or renovated butter.

Sec. 6. Approved copies of all marks, brands, or labels shall be retained at the manufacturers' registered place of business, available for inspection by an inspector.

Sec. 7. Every manufacturer of process or renovated butter who fails to brand the product and the containers in which it is packed is punishable by a fine of not less than \$50 nor more than \$500 or by imprisonment for not less than 1 month nor more than 6 months, or both. Every person who removes any such brands from any package of process or renovated butter is punishable by a fine not exceeding \$1,000 or imprisonment not exceeding 1 year, or both, as provided in section 4, act of March 3, 1891, made applicable by section 5, act of May 9, 1902.

Sec. 8. Misbranding any article of food intended for interstate commerce, or manufactured or offered for sale in any Territory of the United States or the District of

Columbia, is prohibited. That for the purposes of the Food and Drugs Act an article shall also be deemed to be misbranded in the case of food—

- (1) If it be an imitation of, or offered for sale under the distinctive name of another article;
- (2) If it be labeled or branded so as to deceive or mislead the purchaser, or purports to be a foreign product when not so, or if the contents of the package, as originally put up, shall have been removed in whole or in part and other contents shall have been placed in such package;
- (3) If in package form, the quantity of the contents be not plainly and conspicuously marked on the outside of the package in terms of weight, measure, or numerical count; or
- (4) If the package containing it or its label shall bear any statement, design, or device regarding the ingredients or the substances contained therein, which statement, design, or device shall be false or misleading in any particular.

No provision of these regulations shall be construed so as to relieve any person from compliance with the Federal Food and Drugs Act.

Sec. 9. Inspectors of the Department of Agriculture, appointed for the purpose by the Secretary of Agriculture, are authorized to enter all factories and storehouses where process or renovated butter is manufactured, packed, or prepared for market for the purpose of examination or inspection authorized by this act.

Sec. 10. Periodic inspection of each factory shall be made by such inspectors who will submit a complete report to the Chief of Bureau on the sanitation of the premises, the character and condition of the materials used, and the quantity and quality of process or renovated butter produced. The sanitary provisions of the Meat Inspection Act shall apply to the sanitary inspection of process or ren-

ovated butter factories. (See act of Aug. 10, 1912 (37 Stat., 273.)

Sec. 11. Process or renovated butter containing any filthy decomposed, or putrified animal or vegetable substance shall be deemed adulterated under the Foods and Drugs Act.

Sec. 12. The Secretary of Agriculture will determine whether or not materials being used in the manufacture of process or renovated butter will be deleterious to health or unwholesome in the finished product. If any materials which have been so determined to be deleterious to health or unwholesome in the finished product are found to be present in any process or renovated butter, intended for, or in course of, exportation or shipment in interstate commerce, such process or renovated butter will be confiscated, as provided for in regulation 7, section 4 hereof.

Sec. 13. Original packages of process or renovated butter for export shall be stamped and branded as in the case of packages for domestic use and may be covered with cloth, jute, or burlap. The outer covering shall be conspicuously stenciled with the legend "Process Butter" or "Renovated Butter," in boldface gothic letters not less than an inch square, and the words "For Export Only" on the line beneath, in similar letters not less than three-eighths of an inch square.

Sec. 14. Process or renovated butter for export shall be examined by inspectors of the Department of Agriculture, who will issue a certificate as to its purity, quality, and grade and the sufficiency of the stamps and brands. If inspection is not made before the outer coverings are placed upon the packages, the exporter may be required to remove them.

(The foregoing Secs. 1 to 14, have been promulgated by the Commissioner of Internal Revenue and approved

by the Secretary of the Treasury and the Secretary of Agriculture.)

Sec. 15. All marks, brands, or labels, within the meaning of these regulations shall include printed, lithographed, or embossed labels, stickers, seals, wrappers, and receptacles.

Sec. 16. Marks, brands, or labels to be affixed to process or renovated butter intended for export shall in all cases be printed in the English language, but they may also be literally translated into foreign languages.

Sec. 17. No mark, brand, stencil, sticker, label, or seal to be affixed to any tin, carton, wrapper, or other container in which process or renovated butter is placed shall be used until it is approved in its final form by the Chief of Bureau. Triplicates of new trade labels in the form of sketches, proofs, or photographic copies shall be transmitted direct or through inspectors to the Chief of Bureau for approval, and finished trade labels, cartons, or wrappers shall not be prepared in advance of such approval of sketches. After such labels, cartons, or wrappers have been printed, lithographed, or embossed in accordance with the approved sketches or proofs three each of such cartons, labels or wrappers shall be submitted direct or through the inspectors for final approval and filing. Copies of approved labels, cartons, or wrappers shall be kept on file and available for examination by inspectors upon request.

Sec. 18. Trade labels which bear any false or deceptive names shall not be used.

#### *Regulation 6—Reports*

Section 1. Each process or renovated butter factory shall furnish to authorized inspectors accurate information as to all matters required in making their reports.

*Regulation 7.—Process or Renovated Butter Intended  
for or in the Course of Interstate Com-  
merce or for Export*

Section 1. To determine whether or not materials used in the manufacture of process or renovated butter are deleterious to health or unwholesome in the finished product, a sample of such butter shall be taken.

Sec. 2. Such sample shall be drawn in the following manner: A sample will be taken from every package of each lot. However, (A) if a lot includes two or more packages from one *churning*, a sample may be taken from one package only; or (B) if the separate churnings are not indicated, not less than one sample from each 10 tubs may be taken. Additional samples may be taken if, in the opinion of the inspector, such action is necessary to obtain representative samples of such butter.

Sec. 3. The samples thus obtained, properly identified, shall be promptly forwarded to the Department for examination and chemical analysis.

Sec. 4. If such butter is found upon such examination and such chemical analysis to be deleterious to health or unwholesome, and such butter is intended for exportation or shipment into other States, or is in the course of exportation, or in the course of such shipment, the Secretary shall confiscate the same to prevent its use for food purposes. The Secretary may release such butter to its owner for industrial use, upon such conditions as he deems necessary to prevent its use for food purposes.

Sec. 5. Any butter suspected of being process or renovated, or adulterated, wherever found will be sampled as herein provided. The samples thus obtained, properly identified, shall be promptly forwarded to the Department for examination and chemical analysis, together with a

statement outlining the circumstances of the collection of sample.

Sec. 6. All process or renovated butter intended for exportation or in the course of exportation must be marked as provided for in these regulations.

Sec. 7. All process or renovated butter consigned to a foreign country must be inspected and duly certified before delivery to any vessel, carrier, or transportation company. Officers and agents of vessels and of transportation companies transporting merchandise consigned to foreign countries shall not accept process or renovated butter for transportation and export unless accompanied by an official inspection certificate issued pursuant to these regulations, properly dated and countersigned by an inspector. No vessel having on board any process or renovated butter for exportation from any port of the United States will be cleared until the owner or shipper shall obtain an inspection certificate as required by these regulations, attesting to the purity, legal composition, and suitability for export of such process or renovated butter.

Sec. 8. Owners or shippers of process or renovated butter intended for export shall apply for inspection in writing to the Chief of Bureau. The said application shall state the location or place of business of the owner or shipper and the usual place or places where the process or renovated butter may be inspected, the place or places from which it is directly transported to the exporting vessel or transportation company, and the probable frequency of exports.

Sec. 9. The Chief of Bureau shall, upon receipt of such application, designate an inspector for the service required.

Sec. 10. The owner or shipper will notify the inspector of every export shipment to be made by him, at least 12 hours in advance, and shall briefly describe the location,

form of package, and quantity of process or renovated butter to be inspected. The inspector will not be required to make inspections at two or more places distantly removed from one another if the materials are to be included in one shipment, but the inspection of an entire shipment may be made at the pier or place of loading for export.

Sec. 11. Inspections of process or renovated butter for export may be made at the place of manufacture and such inspections may also be made at the place of exportation, if inspection has not previously been made, or, in the opinion of the inspector, a reinspection is necessary. The certificate for export will ordinarily be given by the inspector at the factory or at the place where the customs papers for export are prepared.

Sec. 12. The inspector will examine the merchandise specified with the least possible delay. And it will be the duty of inspectors to examine any process or renovated butter for export, upon the application, formal or informal, of transportation companies or their agents, or any such process or renovated butter about to be loaded for export, whether or not notice thereof has been received.

Sec. 13. Inspectors may make such examination of the process or renovated butter for export in such detail as in their judgment is deemed necessary to show that such butter complies with the law and the regulations. They may take samples of the same and detain the shipment, if deemed necessary, until chemical tests of samples are made. The presence, intact and properly affixed thereon, of the stamps, marks, and labels on a lot of process or renovated butter offered for export from a registered factory or factories may be accepted by an inspector as evidence of purity and of manufacture in accordance with law and these regulations, and the prescribed export certificate may then be executed by the inspector. Additional marks or labels may, however, be required by the inspector for the more com-

plete identification of the process or renovated butter to be exported.

Sec. 14. The inspector shall complete, countersign, and issue a certificate of export. Such certificate shall be dated, shall show the names of the exporter and consignee, and shall describe the lot of process or renovated butter to which it applies. Such description shall include the State, revenue district, and factory number of every factory represented in the lot, and the number of packages from each factory, their respective weights and the shipping marks. Such certificate shall state that the process or renovated butter in question is the product of a registered factory, of legal composition, and suitable for export. Certificates shall be numbered serially and rendered in triplicate.

Sec. 15. Only one certificate shall be issued for each consignment unless otherwise directed by the Chief of Bureau.

Sec. 16. The original certificate shall be delivered to the shipper and shall be used only for the purpose of effecting the transportation and delivery of the consignment.

Sec. 17. The duplicate of the certificate shall be delivered to the shipper and by him to the agent of the railroad or other carrier which transports the consignment from the United States otherwise than by water, or to the chief officer of the vessel on which the export shipment is made and without which no clearance shall be given to any vessel having aboard any process or renovated butter and shall be used only by these agencies and for the purpose of effecting the transportation of the consignment certified. The chief officer of the vessel shall file such duplicate with the customs officer at the time of filing the master's manifest or the supplemental manifest.

Sec. 18. The triplicate of the certificate shall be retained by the inspector issuing the same.

Sec. 19 Under no circumstances shall the original or the triplicate of any certificate be used for the purpose for which it is prescribed by paragraph 17 hereof that the duplicate shall be used.

Sec. 20. No person operating any steam or sailing vessel, and no railroad or other carrier, shall receive for transportation to any foreign country any process or renovated butter, except ship stores and small quantities exclusively for the personal use of the consignee and not for sale or distribution, unless and until a certificate of inspection covering the same has been issued and delivered as provided in these regulations.

Sec. 21. All special requirements, if any, of foreign countries in regard to export certificates for process or renovated butter shall be complied with in respect to all certificates issued, provided such requirements are not in violation of the laws of this country or the rules and regulations promulgated under such laws.

